

104th Congress, 2d Session - - - - - Senate Document 104-21

APPROPRIATIONS REQUEST
(EC 3272)

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REQUEST TO CONSIDER AN AMENDMENT TO THE FISCAL YEAR
1997 APPROPRIATIONS REQUEST FOR THE DEPARTMENT OF AG-
RICULTURE



JULY 9, 1996.—Ordered to be printed

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LETTER OF TRANSMITTAL

THE WHITE HOUSE, *July 8, 1996.*

The President of the Senate:

SIR: I ask the Congress to consider an amendment to the FY 1997 appropriations request for the Department of Agriculture. This proposal would amend pending language for the Special Supplemental Nutrition Program for Women, Infants, and Children in order to improve cost controls.

This amendment would not affect the proposed budget totals.

The details of this action are set forth in the enclosed letter from the Acting Director of the Office of Management and Budget. I concur with his comments and observations.

Sincerely,

WILLIAM J. CLINTON.

Enclosure.

LETTER OF SUBMITTAL

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, July 8, 1996.

THE PRESIDENT,
The White House.

Submitted for your consideration is an amendment to your FY 1997 appropriations request for the Department of Agriculture's Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

The proposed language amendment would ensure maximum cost savings from infant formula rebates by promoting the competitive contracting of infant formula based on the lowest net wholesale price. The proposed budget totals would not be affected by this amendment.

I have carefully reviewed this proposal and am satisfied that it is necessary at this time. Therefore, I join the Secretary of Agriculture in recommending that it be transmitted to Congress.

Sincerely,

JACOB J. LEW,
Acting Director.

Enclosure.

Agency: Department of Agriculture.

Bureau: Food and Consumer Service.

Heading: Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

Fiscal year 1997 Budget Appendix Page: 241.

Fiscal year 1997 Pending Request: \$3,880,000,000.

Proposed Amendment: Language.

Revised Request: \$3,880,000,000.

(In the appropriations language under the above heading, before the period at the end of the last proviso, insert the following: *and contracts signed in fiscal year 1997 to purchase infant formula shall only be awarded to a company offering the lowest net price (as defined by section 17(b)(20) of such Act), unless the State agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of infant formula in the State does not vary by more than 5 percent.*)

This proposal would ensure maximum cost savings from infant formula rebates in the WIC program by promoting the competitive contracting of infant formula based on the lowest net wholesale price. A second option, defined in regulations, is available to States that show a lack of variation in infant formula prices, taking into account State WIC formula sales trends.

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The proposed budget totals would not be affected by this language amendment.

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